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Report to the Committee on Finance and the  
Committee on Housing and Buildings on the  
Fiscal 2024 Executive Plan and the Fiscal 2024  
Executive Capital Commitment Plan for the

# **Department of Housing Preservation and Development**

**May 12, 2023**

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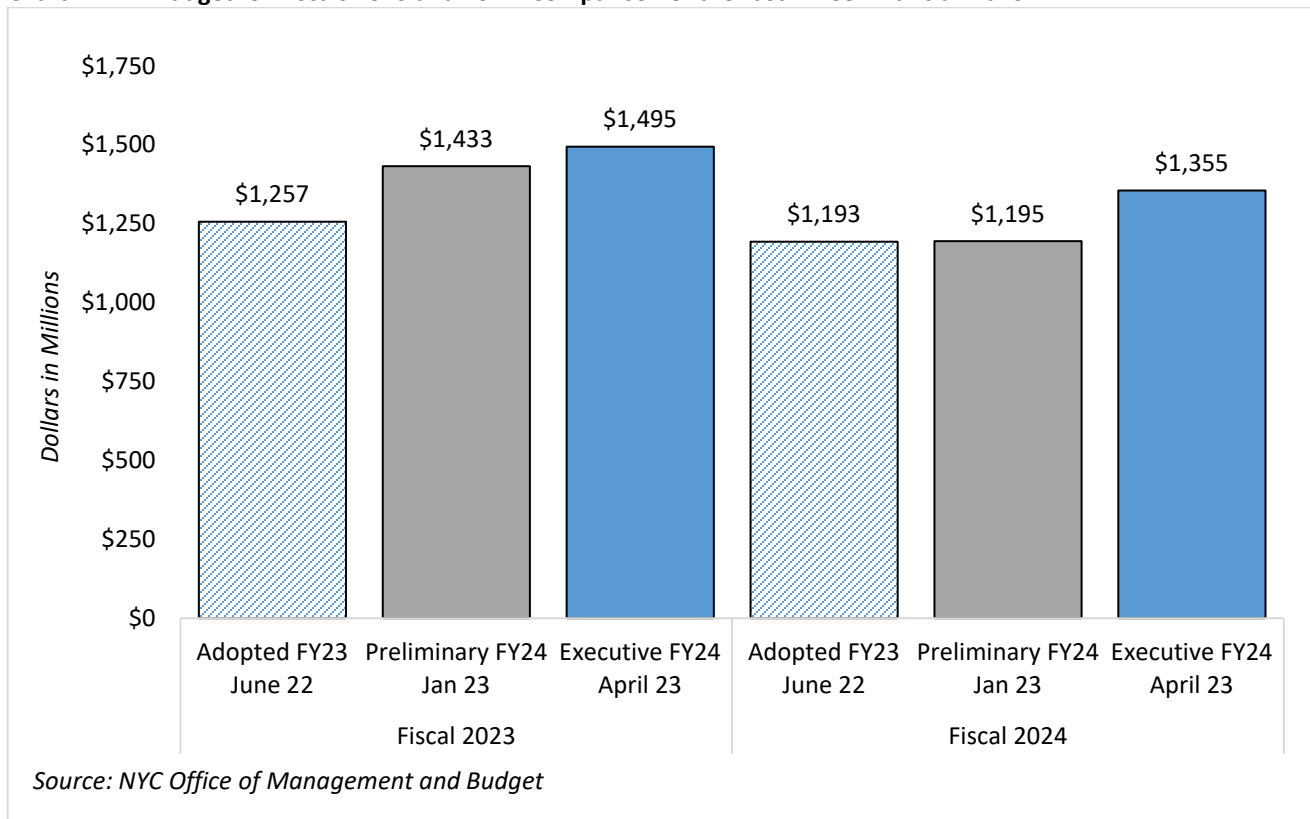
## Department of Housing Preservation and Development Budget Overview

On April 26, 2023, the Administration released the Executive Financial Plan for Fiscal 2023-2027 (Executive Plan) which includes a proposed Fiscal 2024 budget of \$106.7 billion. This report offers a review of the Fiscal 2024 Executive Budget for the Department of Housing Preservation and Development (the Department or HPD), including proposed budget actions taken in the Executive Plan. HPD’s projected Fiscal 2024 budget of \$1.36 billion represents 1.3 percent of the City’s proposed Fiscal 2024 budget in the Executive Plan.

The Department’s Fiscal 2024 budget increased by \$160.2 million (13.4 percent), from the \$1.2 billion budgeted in the Fiscal 2024 Preliminary Financial Plan (Preliminary Plan) presented in January. The increase is driven by \$147 million for asylum seeker shelter and \$20.1 million for District Council 37 (DC 37) collective bargaining adjustments (including \$10.6 million for New York City Housing Authority employees – HPD serves as the City’s fiscal conduit to NYCHA). The Fiscal 2024 budget contains three new needs totaling \$1.8 million, and a Program to Eliminate the Gap (PEG) reducing supportive housing rental assistance by \$5.2 million and swapping \$7.9 million in NYCHA vacant unit funding.

HPD’s current Fiscal 2023 budget of \$1.50 billion is \$238 million (18.9 percent) larger than the agency’s Fiscal 2023 Adopted Budget of \$1.26 billion, and \$62.0 million (4.3 percent) larger than the budget presented in the Preliminary Plan. For additional information on HPD’s Preliminary Budget, please refer to the Fiscal 2024 Preliminary Budget report at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2023/03/HPD.pdf>.

**Chart 1: HPD Budget for Fiscals 2023 and 2024: Comparison of the Last Three Financial Plans**



## Personal Services and Headcount

HPD’s Executive Plan includes funding for a total of 2,692 full-time positions in the current year, decreasing to 2,664 in Fiscal 2024. The agency’s Fiscal 2024 headcount in the Executive Budget is 34

less than the Fiscal 2023 headcount at adoption. As of March 2023, 2,282 of HPD’s positions were filled, resulting in a 15.2 percent vacancy rate.

In the Executive Plan, funding for HPD’s personal services (all agency staffing related expenses) comprise \$208.1 million or 13.9 percent of the agency’s total Fiscal 2023 budget. This increases to \$212.6 million or 15.7 percent in Fiscal 2024.

| <i>Dollars in Thousands</i>    | 2021               | 2022               | 2023               | Executive Plan     |                    | *Difference     |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------|
|                                | Actual             | Actual             | Adopted            | 2023               | 2024               | 2024 - 2023     |
| <b>Spending</b>                |                    |                    |                    |                    |                    |                 |
| Personal Services              | \$183,580          | \$177,645          | \$199,615          | \$208,087          | \$212,590          | \$12,975        |
| Other Than Personal Services   | 946,322            | 1,016,769          | 1,057,192          | 1,286,701          | 1,142,763          | 85,571          |
| <b>TOTAL</b>                   | <b>\$1,129,903</b> | <b>\$1,194,414</b> | <b>\$1,256,807</b> | <b>\$1,494,788</b> | <b>\$1,355,353</b> | <b>\$98,546</b> |
| <b>Budgeted Headcount</b>      |                    |                    |                    |                    |                    |                 |
| Full-Time Positions - Civilian | 2,321              | 2,240              | 2,698              | 2,692              | 2,664              | (34)            |
| <b>TOTAL</b>                   | <b>2,321</b>       | <b>2,240</b>       | <b>2,698</b>       | <b>2,692</b>       | <b>2,664</b>       | <b>(34)</b>     |

*\*The difference of Fiscal 2023 Adopted Budget compared to Fiscal 2024 Executive Budget.  
Source: NYC Office of Management and Budget*

### Funding Sources

HPD’s budget is financed by City funds as well as federal, State, capital-IFA, intra-City, and other categorical sources. In the current financial plan, the Department’s primary funding source is federal funds. Federal funds comprise 68 percent (\$1.02 billion) of HPD’s total funding in the current fiscal year, up from 65.1 percent (\$817.9 million) at adoption. Federal funds comprise 61.1 percent (\$828.4 million) of the Department’s Executive Plan for Fiscal 2024.

The \$62.0 million increase in HPD’s Fiscal 2023 and \$160.2 million increase in its Fiscal 2024 budget between the Preliminary and Executive Plans is primarily the result of modifications to City and federal funding. These changes include:

#### City Funding

City funding increases by \$43.8 million in Fiscal 2023 and \$145.3 million in Fiscal 2024 when compared to the Preliminary Plan.

- **Asylum Seeker Shelter.** The Executive Plan includes \$25.4 million in Fiscal 2023, \$147.0 million in Fiscal 2024 and \$51.0 million in Fiscal 2025 in new City spending on asylum seeker shelter. These expenses make up the majority of City tax-levy (CTL) increases in HPD’s budget.
- **DC 37 Collective Bargaining Agreement.** The Executive Plan increases CTL by \$14.6 million in Fiscal 2023 and \$13.6 million in Fiscal 2024 for costs associated with the implementation of the DC 37 collective bargaining agreement (CBA), with \$11.4 million and \$10.6 million pass-through to NYCHA in Fiscal 2023 and 2024, respectively.
- **PEGs.** The Executive Plan includes \$3.2 million in CTL savings (PEGs) in Fiscal 2023 and \$13.1 million in CTL PEGs in Fiscal 2024 partially offsetting some of the aforementioned increases.

#### Federal Funding

Federal funding increases by \$15.6 million in Fiscal 2023 and \$13.3 million in Fiscal 2024 when compared to the Preliminary Plan.

- **Community Development Block Grant (CDBG).** In the Executive Plan, HPD recognized \$12.9 million in additional CDBG in the current fiscal year, and \$7.2 million in Fiscal 2024.

- Federal – Other.** In the Executive Plan, HPD recognized \$2.7 million in additional federal funding (non-CDBG) in the current fiscal year, and \$6.1 million in Fiscal 2024.

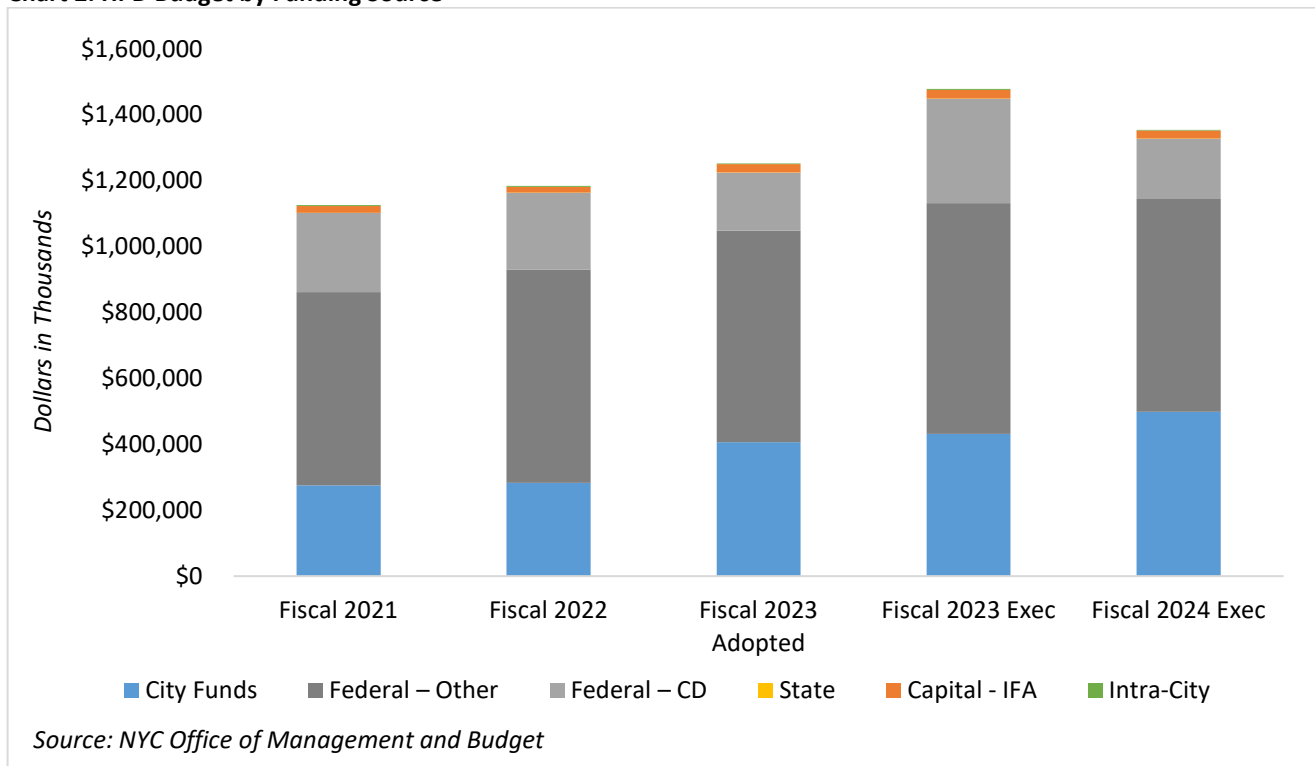
The budget reflects federal matches for eligible HPD titles covered by the DC 37 collective bargaining agreement (\$5.6 million between CDBG and non-CDBG federal in Fiscal 2023, and \$4.9 in Fiscal 2024).

**State Funding**

State funding is unchanged at \$1.1 million in Fiscal 2023 and Fiscal 2024 when compared to the Preliminary Plan. State funding is not a major revenue source for HPD. The Fiscal 2024 Enacted State budget left out all major housing policy, including the “Housing Compact” presented in Governor Hochul’s Executive Budget (mainly to boost housing supply by 800,000 units Statewide over 10 years) and proposed legislation to protect tenants from eviction and homelessness.

See Appendix A for a complete list of all changes reflected in HPD’s Fiscal 2023 and 2024 budgets since adoption.

**Chart 2: HPD Budget by Funding Source**



| Dollars in Thousands | 2021 Actual        | 2022 Actual        | 2023 Adopted       | Executive Plan     |                    | *Difference 2024 - 2023 |
|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|
|                      |                    |                    |                    | 2023               | 2024               |                         |
| <b>Funding</b>       |                    |                    |                    |                    |                    |                         |
| City Funds           | \$275,331          | \$283,253          | \$406,553          | \$431,914          | \$498,408          | \$91,855                |
| Federal – Other      | 586,586            | 647,159            | 642,151            | 700,460            | 646,579            | 4,428                   |
| Federal – CD         | 240,704            | 232,554            | 175,751            | 316,421            | 181,854            | 6,103                   |
| State                | 722                | 614                | 1,075              | 1,075              | 1,075              | 0                       |
| Other Categorical    | 4,127              | 10,134             | 4,728              | 15,622             | 629                | (4,099)                 |
| Capital - IFA        | 19,828             | 18,218             | 24,615             | 26,241             | 24,751             | 136                     |
| Intra-City           | 2,605              | 2,482              | 1,934              | 3,054              | 2,057              | 123                     |
| <b>TOTAL</b>         | <b>\$1,129,903</b> | <b>\$1,194,414</b> | <b>\$1,256,807</b> | <b>\$1,494,788</b> | <b>\$1,355,353</b> | <b>\$98,546</b>         |

\*The difference of Fiscal 2023 Adopted Budget compared to Fiscal 2024 Executive Budget.

Source: NYC Office of Management and Budget

### Program Area Budgets

In order to provide for better transparency within agency budgets, in 2007 at the behest of the City Council, the Administration began providing agency budgets broken down by program areas for fifteen of the City’s agencies. The programmatic budgets provide a summary of planned spending in each functional area of an agency.

**Table 3: HPD Budget by Program Area**  
*Dollars in Thousands*

|  | 2021               | 2022               | 2023               | Executive Plan     |                    | *Difference     |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------|
|  | Actual             | Actual             | Adopted            | 2023               | 2024               | 2024 - 2023     |
| Administration                           | \$50,575           | \$52,045           | \$62,266           | \$72,430           | \$71,283           | \$9,016         |
| Administration Program                   | 260,633            | 281,783            | 304,606            | 388,921            | 251,469            | (53,137)        |
| Development                              | 59,008             | 46,035             | 24,988             | 82,452             | 30,366             | 5,379           |
| Housing Operations - Section 8 Programs  | 574,682            | 607,527            | 649,655            | 676,844            | 660,055            | 10,400          |
| Housing Operations - Emergency Housing   | 35,814             | 44,317             | 39,702             | 73,850             | 183,161            | 143,458         |
| Housing Operations – Mgmt. & Disposition | 25,654             | 26,191             | 29,308             | 33,550             | 31,162             | 1,854           |
| Preservation - Anti-Abandonment          | 12,972             | 11,278             | 18,377             | 10,700             | 4,079              | (14,298)        |
| Preservation - Code Enforcement          | 34,906             | 33,883             | 36,706             | 42,056             | 40,297             | 3,591           |
| Preservation - Emergency Repair          | 26,343             | 30,168             | 32,799             | 36,586             | 33,043             | 243             |
| Preservation - Lead Paint                | 16,808             | 16,554             | 18,679             | 22,991             | 23,175             | 4,496           |
| Preservation - Other Agency Services     | 32,509             | 44,634             | 39,720             | 54,406             | 27,264             | (12,457)        |
| <b>TOTAL</b>                             | <b>\$1,129,903</b> | <b>\$1,194,414</b> | <b>\$1,256,807</b> | <b>\$1,494,788</b> | <b>\$1,355,353</b> | <b>\$98,546</b> |

*\*The difference of Fiscal 2023 Adopted Budget compared to Fiscal 2024 Executive Budget.*

*Source: NYC Office of Management and Budget*

HPD’s program budget includes 11 program areas. The Executive Plan includes changes to HPD’s budget in Fiscal 2024 that impact program areas. Below is a discussion of the most significant program area funding changes in the Executive Plan.

- **Administration Program.** HPD’s Executive Plan includes \$251.5 million for the Administration Program area, \$53.1 million less than the Fiscal 2023 budget at adoption. Most of this change is associated with a reduction in City funding for NYCHA, driven by PEGs since adoption and funding swaps (moving expense to capital) for the vacant unit readiness program.
- **Housing Operations – Emergency Housing.** The Executive Plan includes \$183.2 million for Emergency Housing Operations, \$143.5 million greater than the Fiscal 2023 budget at adoption. This change is driven by new asylum seeker shelter costs.
- **Preservation – Anti-Abandonment.** The Department’s Executive Plan includes \$4.1 million for the Preservation – Anti-Abandonment program area, \$14.3 million less than the Fiscal 2023 budget at adoption. This decrease is mainly due to the inclusion of Council discretionary housing initiatives in the adopted budget which are not currently part of the Fiscal 2024 budget.

### Executive Plan Changes

Each financial plan is comprised of changes to an agency’s budget from the prior plan. These changes are comprised of new needs that have not previously been included in the agency’s budget, other adjustments to existing spending (these adjustments can involve adding or removing funding), savings programs which provide additional resources either through reduced spending or increased revenue, and savings restorations which include the restoration of expenditures that had been reduced in prior

financial plans. As previously mentioned, a summary of all changes made to HPD's financial plan since adoption can be found in Appendix A.

## New Needs

HPD's Executive Plan includes four new needs (three of which are in Fiscal 2024), that total \$453,000 in Fiscal 2023, \$1.8 million in Fiscal 2024 and 2025, and \$1.5 million in Fiscal 2026 and 2027.

- **Moving On Program** (\$800,000 in Fiscal 2024-2027). The Executive Plan baselines \$800,000 in federal HOME Investment Partnerships-American Rescue Plan (HOME-ARP) funds to continue the Moving On program, a program to assist supportive housing residents in finding permanent housing and freeing up space for new participants. Clients receive housing counseling and Section 8 vouchers from HPD's existing allocation. Approximately 65 move-outs are expected in Fiscal 2023, among approximately 150 program participants.
- **Hurricane Ida Disaster Relief Staff** (\$704,000 in Fiscal 2024-2027). The Executive Plan includes \$704,000 in federal CDBG-DR (Disaster Recovery) in Fiscal 2024 and the outyears for eight staff in HPD's single family housing resiliency program. Six positions are in the Office of Development, and two are in the Office of Administration.
- **Unlocking Doors Pilot** (\$308,000 in Fiscal 2024 and 2025). The Executive Plan includes \$308,000 in City funds in Fiscal 2024 and 2025 to support the "Unlocking Doors" pilot program announced in April 2023.<sup>1</sup> This program provides landlords with up to \$25,000 for needed repairs in vacant rent-stabilized buildings to bring them online (at a cost of up to \$10 million in total), in exchange for landlords' agreement to rent the units to City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS) voucher holders. The pilot aims to renovate 400 units and serve 400 households. The limited funding at HPD supports temporary contract staff to help run the program, while the Department of Social Services (DSS) contains the budget for the preservation bonuses and CityFHEPS supplements.
- **NYCHA Smoke Free** (\$453,000 in Fiscal 2023). The Executive Plan recognizes \$453,000 in pass-through City funds to NYCHA for its Smoke Free program. State law requires "Other Tobacco Product" (OTP) tax proceeds to fund NYCHA's smoking cessation program. This budget action reflects the totality of tax collections in Fiscal 2022.

## Other Adjustments

HPD's Executive Plan includes \$64.4 million in other adjustments in Fiscal 2023 and \$171.5 million in Fiscal 2024. Some of the major adjustments include the following.

- **Asylum Seeker Shelter** (\$25.4 million in Fiscal 2023, \$147 million in Fiscal 2024 and \$51 million in Fiscal 2025). As part of the City's overall response to the recent influx of asylum seekers, and its expectation of 70,000 more people living in shelter by the end of next fiscal year, the Executive Plan includes substantial new funding in HPD's budget for asylum seeker shelter costs, reaching a high of \$147 million in Fiscal 2024. Currently HPD manages only one open shelter site, in Brooklyn. HPD is one agency among many with a portion of asylum seeker

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<sup>1</sup> Office of the Mayor, "Mayor Adams to Invest up to \$10 Million to Repair Rent-Stabilized Homes, Providing Roofs Over Heads of New Yorkers Experiencing Homelessness," April 19, 2023, available online at: <https://www.nyc.gov/office-of-the-mayor/news/272-23/mayor-adams-invest-up-10-million-repair-rent-stabilized-homes-providing-roofs-heads>

shelter costs. Additional details about the procurement process and distribution of shelters remain uncertain.

- **DC 37 Collective Bargaining Agreement** (\$10.4 million HPD and \$11.4 million NYCHA in Fiscal 2023, \$9.5 million HPD and \$10.6 million NYCHA in Fiscal 2024, \$12.8 million HPD and \$16.1 million NYCHA in Fiscal 2025, \$16.0 million HPD and \$20.6 million NYCHA in Fiscal 2026, and \$16.0 million HPD and \$21.6 million NYCHA in Fiscal 2027). In HPD's Executive Plan, as a result of the DC 37 collective bargaining agreement, PS expenses grow by \$21.8 million between HPD and NYCHA in Fiscal 2023, slightly less (\$20.1 million) in Fiscal 2024, and then increase steadily before reaching \$37.6 million in Fiscal 2027. The contract impacts 1,360 active HPD employees, 1,365 active NYCHA active employees, and 905 NYCHA retirees (HPD retirees do not impact the agency budget).
- **CDBG Roll** (\$7.6 million in Fiscal 2023). The Executive Plan reflects a roll of CDBG funding from Fiscal 2022 to Fiscal 2023. HPD will be reimbursed for expenses across various programs, including Alternative Enforcement Program (AEP), Demolition, Emergency Repair Program (ERP), Housing Vacancy Survey, Lead Program, and Property Management.
- **Roll for NYCHA Woodside Senior Center** (\$172,000 moved from Fiscal 2023 to Fiscal 2024). The Executive Plan includes a roll of funds into Fiscal 2024 for the cost of replacing furniture at the Woodside Senior Center in Queens, which was flooded during Hurricane Ida.

### Program to Eliminate the Gap (PEG)

HPD's Executive Plan includes savings as part of the citywide PEG totaling \$2.8 million in Fiscal 2023, \$13.1 million in Fiscal 2024, \$16.1 million in Fiscal 2025, \$14.2 million in Fiscal 2026, and \$8.1 million in Fiscal 2027. The agency was able to locate additional resources in four initiatives, including:

- **Supportive Housing Rental Assistance Re-Estimate** (\$500,000 reduction in Fiscal 2023, \$5.2 million in Fiscal 2024, \$8.2 million in Fiscal 2025, \$6.4 million in Fiscal 2026, and \$300,000 in Fiscal 2027). The PEG continues a progression of budget reductions to NYC 15/15 supportive housing rental assistance, which is attributed to a mix of underperformance and underspending. To reflect slower-than-expected project timelines and longer wait times until lease up, the November 2022 Plan removed a total of \$14.7 million across Fiscal 2023-2026. The Executive Plan PEG reduces Fiscal 2023 NYC 15/15 rental assistance funding to \$17.5 million, with \$32.7 million in Fiscal 2024, \$46.2 million in Fiscal 2025, \$58.8 million in Fiscal 2026, and \$66.0 million in Fiscal 2027. The budget increases over time to reflect the compounding effect of paying rental subsidies for a greater number of supportive housing units.

HPD only serves congregate supportive housing, and its goal is to create 650 units per year through Fiscal 2028. The Department believes it is on track to produce the units, including in Fiscal 2024. The new estimate takes into account the number of ground-up new construction projects in progress, and actual production timelines to final lease up. Tenants are also paying a larger share of rent than was originally anticipated.

HPD has created 9,900 supportive housing units since 2014, including 3,600 NYC 15/15 congregate units. The citywide NYC 15/15 goal is 15,000 units over 15 years, however over 60,000 New Yorkers may benefit from supportive housing. It is estimated that four out of



every five people found eligible for supportive housing have to remain in the shelter or on the street because of the lack of available units.<sup>2</sup>

- NYCHA Funding Swap** (Swap of \$7.9 million in Fiscals 2024 and 2025, and \$7.8 million in Fiscals 2026 and 2027). This PEG swaps expense funds for the repair and rehabilitation of vacant NYCHA units with capital funding, generating \$31.6 million of City expense savings over the plan period. The swap creates short-term cost savings from a recognition that the scopes of work of units in the vacant unit readiness program are so substantial that the capital budget can be used to fund repairs. It adds long term capital debt service costs. No programmatic impact is expected.
- Procurement Re-Estimates** (\$3.2 million savings in Fiscal 2023). The Executive Plan includes the removal of \$3.2 million in Fiscal 2023 due to less than anticipated spending on new contracts due to extended procurement timelines and difficulty staffing up temporary workers and consultants. Impacted programs include Moving On (the subject of a Fiscal 2024 Executive Budget new need) temporary attorneys for extra legal assistance for development deals, and post-Ida resiliency work for food insurance awareness programming and resiliency audits.
- Tax Credit Fees Revenue** (\$1 million in Fiscal 2024-2027). The Plan baselines \$1 million in additional revenue from administering tax credit application, compliance, and allocation fees. The revenue-generating PEG helped HPD meet the four percent PEG target with lesser expense reductions. The PEG does not raise fee levels, however it reflects a higher baseline expectation of fee generation. The fees are paid by project sponsors for work HPD conducts during development projects, including the qualified application plan and reviewing documents in accordance with federal regulation on low-income housing tax credits (LIHTC). Revenue is paid into the General Fund through the City’s Miscellaneous budget.
- Partial Vacancy Reduction Restoration** (\$888,000 restoration in Fiscal 2023). The Plan introduces a PEG Restoration for 34 positions totaling \$888,000 (\$550,000 in CTL and \$339,000 in Capital-IFA) to partially reverse the vacancy reduction included in the Preliminary Plan. The restoration represents 50 percent of the cost of the original PEG, which removed \$677,000 in City funds and \$1.1 million in Capital-IFA funds.

### Fiscal 2024 Preliminary Budget Response

In the City Council’s Fiscal 2024 Preliminary Budget Response (Budget Response)<sup>3</sup> the Council identified several areas of concern relating to housing. Despite the increased funding for certain areas, there are still essential investments and programs that did not receive additional support in the Executive Plan.

| # | Response Priorities  | Amount Requested                | Amount in Exec Budget         |
|---|--|---------------------------------|-------------------------------|
| 1 | Increase Investments in Affordable Housing Capital and Bolster the Affordable Housing Pipeline   | \$3,300,000,000<br>over 5 years | \$618,424,000<br>over 5 years |
| 2 | Enhance Renter and Homeowner Support through Neighborhood Pillars, Partners in Preservation, HomeFix, Landlord Ambassador, Homeowner Help Desk, and Other Programs | \$5,000,000                     | \$308,000                     |

<sup>2</sup> The Real Supportive Housing Need in New York State, CSH (2015), available online at: [https://www.csh.org/wp-content/uploads/2015/10/Final\\_Real-SH-Need-in-NYS.pdf](https://www.csh.org/wp-content/uploads/2015/10/Final_Real-SH-Need-in-NYS.pdf).

<sup>3</sup> The full response can be found at: <http://council.nyc.gov/wp-content/uploads/2023/04/Fiscal-2024-Preliminary-Budget-Response.pdf>.

| # | Response Priorities  | Amount Requested | Amount in Exec Budget                                |
|---|--|------------------|--|
| 3 | Reverse Vacancy Reductions and Address High Vacancy Rate                   | Call to Action   | Partial One-Time Restoration<br>(34 of 97 Positions) |
| 4 | Expand Supportive Housing for Individuals Involved with the Justice System | \$57,800,000     | \$0  |

- Increase Investments in Affordable Housing Capital** (Council proposal: \$3.3 billion over five years in the Capital Commitment Plan). To address the City’s housing crisis, the Council called for the budget to align capital commitments with the Mayor’s promise to provide \$4 billion per year for housing preservation and construction (\$2.5 billion at HPD and \$1.5 billion at NYCHA). The gap between existing capital commitments and the \$12.5 billion five-year target for HPD is \$3.3 billion.

As part of the multi-billion-dollar proposed expansion, capital commitments for Supportive Housing and Extremely Low- and Low-Income Affordability programs would be doubled, and substantial funding would be added to the Green Housing Preservation Program, Article 8A Loan Program, Section 202 Housing, LIHTC Preservation Program, Participation Loan Program, and Multifamily Preservation Loan Program.

The Fiscal 2023-2027 Executive Capital Commitment Plan includes an additional \$618.4 million, 18.7 percent of the \$3.3 billion called for in the Budget Response. These increases include approximately \$256 million for LIHTC Year 15 Preservation Programs, \$196 million for the HPD Green Program, and \$103 million for supportive housing, partially offset by a \$208 million decrease in the multifamily preservation loan program.

- Enhance Renter and Homeowner Support Programs** (Council proposal: \$5 million baselined in Fiscal 2024). Given the state of the City’s housing crisis, the Council called on the Administration in the Budget Response to add \$5 million to support tenants (through programs like Neighborhood Pillars and Partners in Preservation), and homeowners (through programs like HomeFix, Landlord Ambassador, and Homeowner Help Desk).

In response, the Fiscal 2024 Executive Budget included \$308,000 for the Unlocking Doors pilot, a program intended to preserve 400 rent-stabilized units of housing through landlord repair assistance. Landlords who participate in the program will have to agree to place CityFHEPS voucher holders in the renovated units. The program includes elements of rental unit preservation and landlord small-to-moderate repair support (HomeFix). The investment represents six percent of the Council’s Budget Response target for Fiscal 2024. The Administration should review the outstanding need in the City for additional resources to create and preserve affordable housing and prevent further displacement.

- Reverse Vacancy Reductions and Address High Vacancy Rate** (Council proposal: Call to Action). In recognition of the need for sufficient project management and technical staff to support faster development of affordable housing projects in HPD’s pipeline, the Council called on the Administration to reverse recent vacancy reductions, allow greater hiring flexibility, provide remote work, and increase compensation. These efforts would help municipal employees who work on the City’s housing production have the resources and supports they need to deliver shared goals.

In response, the Executive Plan included a restoration of \$888,000 and 34 of the 97 positions removed in Fiscal 2023 as part of the Preliminary Plan PEG in Fiscal 2023 only.

- **Expand Supportive Housing for Individuals Involved with the Justice System** (Council proposal: \$57.8 million). In the Budget Response the Council called for the Executive Plan to include an additional \$57.8 million to expand the public safety-improving Justice Involved Supportive Housing (JISH) program. JISH was negotiated as part of the 2019 Points of Agreement to close Rikers Island, aiming to address the lack of housing for those who have exited the justice system.

The Council prioritizes expanding and improving JISH to help people transition from the justice system to stable housing and employment opportunities. These programs are proven to reduce recidivism and provide wrap-around services that address basic needs and provide pathways to success.

The proposed funding would make existing and new housing units viable with sustainable rates and ensure that NYC 15/15 supportive housing units are adequately funded. However, the Administration did not add any new funding to JISH.

## Federal and State Budget Risks

The State Fiscal 2024 Enacted Budget did not include any major housing policies proposed in Governor Hochul’s “Housing Compact,” which sought to boost the housing supply by 800,000 units Statewide over 10 years. Additionally, legislation as proposed by the Legislature, to protect tenants from eviction and homelessness was not included in the State budget. The deadlock leaves HPD with its existing array of tools to address the affordable housing crisis.

At the federal level, the failure and subsequent bail out of major commercial lending banks like Signature Bank (the third-largest ever bank failure in U.S. history) has reverberated widely. Signature was the third largest real estate lender in New York City, and the improper sale of its loans in the tumultuous period ahead for its assets could endanger tens of thousands of units of multifamily housing.

Additional federal risks to HPD’s budget include the possibility of reductions in Federal Section 8 vouchers, HOME funding, and CDBG appropriations. HPD’s Section 8 vouchers, for example, are now nearly fully utilized following the increase in Emergency Housing Vouchers (EHV). Going forward, HPD is limited to only issuing vouchers to match attrition. The Section 8 program is funded on a Calendar Year (CY) basis, with \$567 million funded in CY 2022, and anticipated funding of \$545 million for CY 2023, a \$22 million decrease. Furthermore, the debt ceiling standoff in Congress may impact the ability of housing developers to access affordable financing or restrict Congressional spending.

## Capital Plan Overview

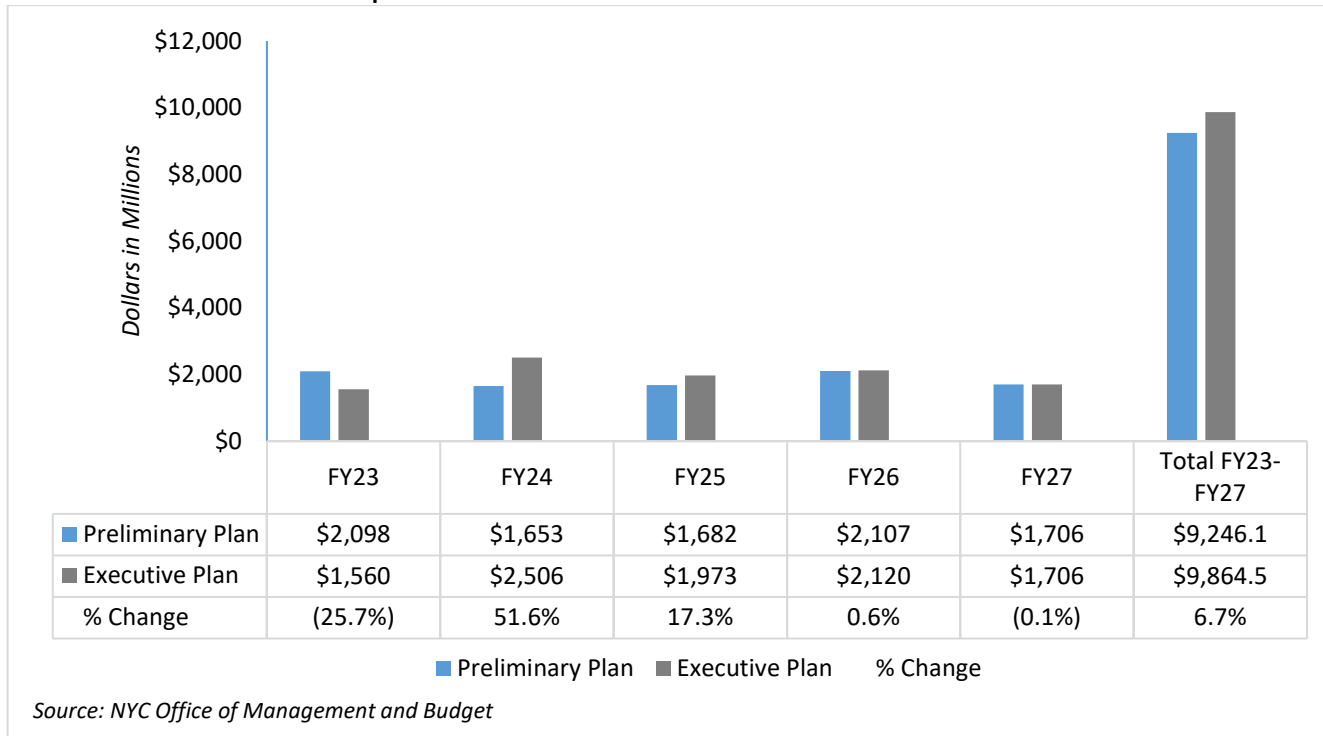
On April 26, 2023, Mayor Eric Adams released the Executive Capital Commitment Plan for Fiscal 2023-2027 (the Commitment Plan) and the Fiscal 2024-2033 Ten-Year Capital Strategy (the Strategy).

This section will provide an overview of the Commitment Plan, and the Ten-Year Strategy for the Department of Housing Preservation and Development.

## Fiscal 2023-2027 Capital Commitment Plan

HPD’s commitments for Fiscal 2023 through 2027 as presented in the Executive Capital Commitment Plan total \$9.86 billion, 6.7 percent greater than the total for the same period presented in the Preliminary Capital Commitment Plan released in January. The Department’s planned commitments comprise 10.1 percent of the City’s \$97.9 billion total between Fiscal 2023 and 2027.

**Chart 3: HPD Fiscal 2023-2027 Capital Commitment Plan**



The amount of commitments planned for each year of the plan period is relatively uniform. The Executive Capital Commitment Plan includes rolls of unspent funding from Fiscal 2023, with 15.8 percent of the entire planned expenditure in the current year, 25.4 percent in Fiscal 2024, and 20, 21.5, and 17.3 percent in Fiscals 2025, 2026, and 2027 respectively.

Table 5 presents the capital budget lines with the biggest increases and decreases when comparing the Fiscal 2023-2027 Executive and Preliminary Capital Commitment Plans.

| <b>Table 5: HPD Capital Budget Lines with Largest Changes in the Executive Plan</b> | <b>Total Changes</b> |
|---|----------------------|
| <i>Dollars in Millions</i>  | <b>FY23-27</b>       |
| HPD GREEN PROGRAM   | \$185.5              |
| LOW INCOME HOUSING TAX CREDIT (LIHTC) PROJECTS                                      | 150.3                |
| COMPUTER PURCHASES AND UPGRADE  | 83.9                 |
| CAPITAL JOBS BILL   | 73.6                 |
| MULTIFAMILY HOMEOWNERSHIP PROGRAM   | 67.2                 |
| MIXED INCOME RENTAL - LOW   | 62.2                 |
| THIRD PARTY TRANSFER PROGRAMS, LL #37, CITYWIDE                                     | 58.6                 |
| MIXED INCOME RENTAL - MOD/MID   | 54.7                 |
| VERY LOW-INCOME AND EXTREMELY LOW-INCOME HOUSING                                    | 47.9                 |
| AFFORDABLE NEIGHBORHOOD COOPERATIVE PROGRAM   | 31.5                 |
| ARTICLE 8A LOAN PROGRAM   | 21.1                 |
| SUPPORTIVE HOUSING  | 19.6                 |
| SUPPORTIVE HOUSING REHAB  | 17.0                 |
| SENIOR CITIZEN HOME ASSISTANCE PROGRAM (SEHAP) & SMALL HOMES REHAB                  | 13.7                 |
| SPRING CREEK, ASSOC. COSTS, BROOKLYN  | 10.6                 |
| RECONSTRUCTION OF H.P.D. OFFICE SPACE   | (1.5)                |
| HUD MULTI-FAMILY PROGRAM, CITYWIDE  | (10.7)               |
| PARTICIPATION LOAN PROGRAM (PLP), REHAB   | (109.7)              |
| LOW INCOME RENTAL PROGRAM   | (184.7)              |

Table 6 shows HPD’s largest capital budget lines in the Fiscal 2023-2027 Executive Capital Commitment Plan. The \$1.51 billion for NYCHA Program, Citywide applies to RAD/PACT conversions.

| <b>Table 6: HPD Capital Budget Lines with the Largest Commitments in the Executive Plan</b><br><i>Dollars in Millions</i> | <b>Total<br/>FY23-27</b> |
|---|--------------------------|
| NYCHA PROGRAM, CITYWIDE   | \$1,514.7                |
| LOW INCOME RENTAL PROGRAM   | 1,423.7                  |
| SUPPORTIVE HOUSING  | 1,130.6                  |
| PARTICIPATION LOAN PROGRAM (PLP), REHAB   | 877.9                    |
| MIXED INCOME RENTAL - LOW   | 740.9                    |
| VERY LOW-INCOME AND EXTREMELY LOW-INCOME HOUSING  | 687.5                    |
| LOW INCOME HOUSING TAX CREDIT (LIHTC) PROJECTS  | 631.8                    |
| ASSISTED LIVING AND SENIOR HOUSING, CITYWIDE  | 450.0                    |
| AFFORDABLE NEIGHBORHOOD COOPERATIVE PROGRAM   | 339.3                    |
| THIRD PARTY TRANSFER PROGRAMS, LL #37, CITYWIDE   | 263.8                    |
| ARTICLE 8A LOAN PROGRAM   | 226.9                    |
| HPD GREEN PROGRAM   | 223.8                    |
| MULTIFAMILY HOMEOWNERSHIP PROGRAM   | 193.2                    |
| SUPPORTIVE HOUSING REHAB  | 160.0                    |
| COMPUTER PURCHASES AND UPGRADE  | 140.4                    |

- RAD/PACT Conversions Roll.** The Executive Capital Commitment Plan includes a \$568 million reduction of Fiscal 2023 commitments for RAD/PACT by to \$100 million, rolling funding into Fiscals 2024 and 2025. The total for RAD/PACT conversions in the Executive Plan is unchanged from the previous plan, \$1.51 billion.<sup>4</sup> The slower-than-anticipated spending reflects that nine PACT bundles were anticipated to close this fiscal year, however only one bundle is likely, with the others estimated to close over the next two years. Of the \$785 million increase in HPD’s Ten-Year Capital Strategy (discussed below), almost three-quarters is a roll of existing funding for PACT.
- Additional Federal HOME Funding** (\$80 million over 10 years). New federal HOME capital funds are reflected from Fiscal 2024 in the Commitment Plan, increasing the baseline from \$32 million to \$40 million per year.

### Executive Ten-Year Capital Strategy Fiscal 2024-2033

The Ten-Year Strategy is the City’s long term capital planning document which provides a framework for capital spending by agency. The Strategy is released every two years as mandated by the City Charter.

The City’s Ten-Year Strategy totals \$164.8 billion (all funds). The Strategy provides information on the comprehensive infrastructure planning that the City undertakes and explains the connection between capital investment and strategic priorities. It is designed to help prioritize investment decisions across all capital agencies and communicate to the public an integrated approach to capital planning across infrastructure types, in line with the growth of the City.

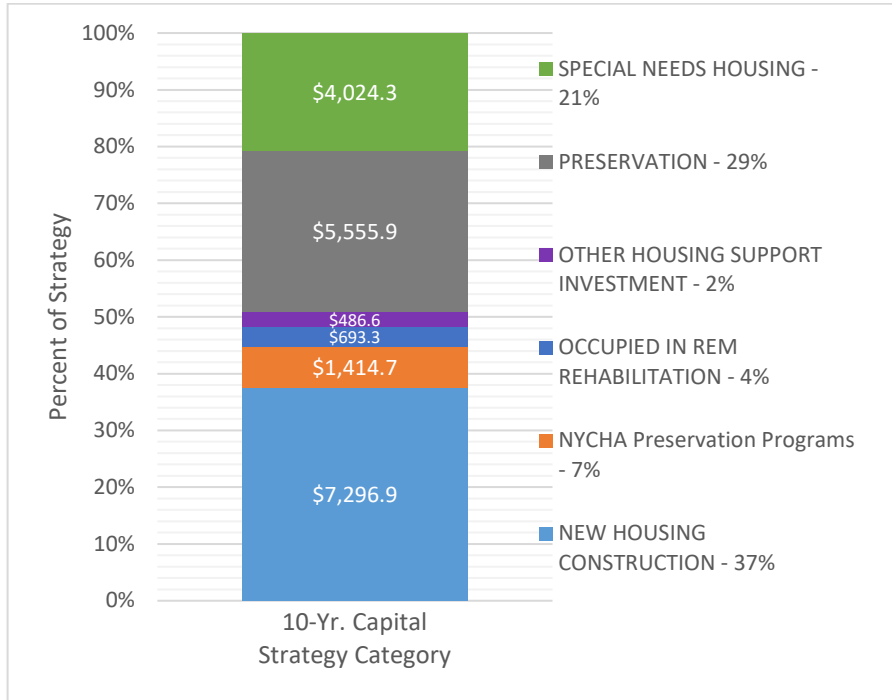
HPD’s Ten-Year Strategy includes \$19.47 billion in Fiscal 2024–2033 for a range of capital construction, reconstruction, and preservation projects. The largest types of investment categories (seen in Chart 4) are new housing construction (\$7.30 billion), preservation (\$5.56 billion), special needs housing (\$4.02 billion), RAD/PACT conversions (\$1.41 billion), Occupied In-Rem Rehabilitation (\$693 million), and Other Housing Support Investment (\$487 million).

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<sup>4</sup> PACT funding intends to support the conversion of approximately 62,000 units from traditional Section 9 public housing to Section 8 rental assistance vouchers by the end of 2026.

**Chart 4: HPD Ten-Year Capital Strategy by Category**

*Dollars in Millions*

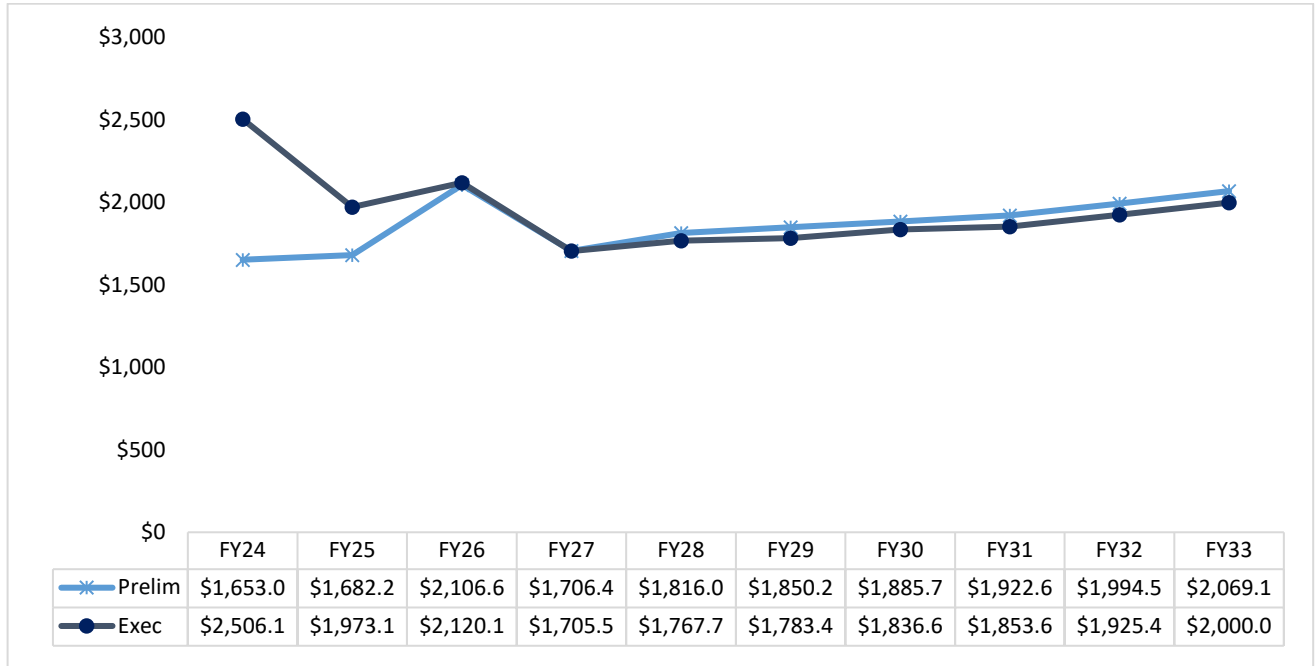


The Ten-Year Capital Strategy is slightly front-loaded, with greater funding in the first three years of the plan period which decreases in the outyears of the Strategy (see Chart 5). A portion of the funding in the early years of the Ten-Year Capital Strategy is expected to roll out into future fiscal years, as only a portion of planned commitments are usually committed each year. Other than a surge of planned commitments in Fiscal 2024, planned spending is fairly consistent, averaging \$1.95 billion per year. This is over \$500 million per year below the \$2.5 billion pledged for HPD by the Mayor as a candidate.

Of the \$785 million increase between the Preliminary and Executive Ten-Year Capital Strategies, almost three-quarters (\$568 million) is a roll of existing funding for RAD/PACT conversions and does not represent new commitments.

**Chart 5: HPD FY24 Preliminary vs. Executive Ten-Year Capital Strategy**

*Dollars in Millions*



Appendix A: Budget Actions since Fiscal 2023 Adoption

| <i>Dollars in Thousands</i>           | Fiscal 2023      |                  |                    | Fiscal 2024      |                  |                    |
|---------------------------------------|------------------|------------------|--------------------|------------------|------------------|--------------------|
|                                       | City             | Non-City         | Total              | City             | Non-City         | Total              |
| <b>HPD Fiscal 2023 Adopted Budget</b> | <b>\$406,554</b> | <b>\$850,254</b> | <b>\$1,256,808</b> | <b>\$350,799</b> | <b>\$842,648</b> | <b>\$1,193,447</b> |
| <b>New Needs – Nov.</b>               |                  |                  |                    |                  |                  |                    |
| None                                  | \$0              | \$0              | \$0                | \$0              | \$0              | \$0                |
| <b>Subtotal, New Needs</b>            | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>         | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>         |
| <b>Other Adjustments – Nov.</b>       |                  |                  |                    |                  |                  |                    |
| Bring up CD funds for HVS             | \$0              | \$2,092          | \$2,092            | \$0              | \$0              | \$0                |
| CD Wage Monitoring TSD                | 0                | 75               | 75                 | 0                | 0                | 0                  |
| City Artists Corp put up              | 0                | 660              | 660                | 0                | 0                | 0                  |
| Collegiate Fund Goddard Rivers        | 0                | 4,000            | 4,000              | 0                | 0                | 0                  |
| EHV Rollover                          | 0                | 6,449            | 6,449              | 0                | 0                | 0                  |
| FEMA Funding of Ida Shelter           | 0                | 3,640            | 3,640              | 0                | 0                | 0                  |
| FFY20 UASI Training                   | 0                | 4                | 4                  | 0                | 0                | 0                  |
| FloodHelp NY - FEMA                   | 0                | 476              | 476                | 0                | 0                | 0                  |
| FY23 SRS HPD Mod                      | 0                | 206              | 206                | 0                | 0                | 0                  |
| HOME- ARP - ADMIN                     | 0                | 28               | 28                 | 0                | 0                | 0                  |
| HOMEFIRST                             | 0                | 4,000            | 4,000              | 0                | 0                | 0                  |
| HOMEOWNER FIRST DOWN-PAYMENT          | 0                | 2,000            | 2,000              | 0                | 0                | 0                  |
| HPD Tech CD Rollover                  | 0                | 1,657            | 1,657              | 0                | 0                | 0                  |
| Hsg Choice Exp Pilot Enterprise       | 0                | 12               | 12                 | 0                | 0                | 0                  |
| HSNG CHOICE EXP PILOT ENTERPRI        | 0                | 4                | 4                  | 0                | 0                | 0                  |
| I/C NYCHPD -Constance Baker M         | 0                | 100              | 100                | 0                | 0                | 0                  |
| I/C NYCHPD -Grant Pk Play             | 0                | 3                | 3                  | 0                | 0                | 0                  |
| Lead Demo 2017                        | 0                | 1,185            | 1,185              | 0                | 0                | 0                  |
| Lead Demo 2020                        | 0                | 1,329            | 1,329              | 0                | 0                | 0                  |
| NYCHA                                 | 0                | 4,468            | 4,468              | 0                | 0                | 0                  |
| NYCHA Labor Funding Estimates         | 1,466            | 0                | 1,466              | 1,466            | 0                | 1,466              |
| NYCHA: DOI Payments                   | 0                | 6,304            | 6,304              | 0                | 0                | 0                  |
| NYCHAA127                             | 0                | 1,343            | 1,343              | 0                | 0                | 0                  |
| Reallocate S8 admin funding           | 0                | 200              | 200                | 0                | 0                | 0                  |
| Rollover funds for Marketing          | 0                | 501              | 501                | 0                | 0                | 0                  |
| Rollover Suppt Housing furnishings    | 0                | 992              | 992                | 0                | 0                | 0                  |
| Sandy MF FY23 Program Needs           | 0                | 7,593            | 7,593              | 0                | 0                | 0                  |
| Sandy URA FY23                        | 0                | 35               | 35                 | 0                | 0                | 0                  |
| Schedule FFY19UASI funds PS           | 0                | 73               | 73                 | 0                | 0                | 0                  |
| Schedule funds for NYCHA              | 0                | 88,608           | 88,608             | 0                | 0                | 0                  |
| Schedule funds for POH                | 0                | 453              | 453                | 0                | 0                | 0                  |
| Schedule S8 Mobility CCD Funds        | 0                | 39               | 39                 | 0                | 0                | 0                  |
| SEC 8 DIV.OF TENANT RES.- FSS         | 0                | 429              | 429                | 0                | 0                | 0                  |
| SEC 8 EHV - NAV                       | 0                | 1,016            | 1,016              | 0                | 0                | 0                  |
| SEC 8 EHV - NYCHA-NAV                 | 0                | 7,261            | 7,261              | 0                | 0                | 0                  |
| SEC 8 MWBE IT                         | 0                | 320              | 320                | 0                | 163              | 163                |
| SEC 8 PROFESSIONAL MEMBERSHIP         | 0                | 123              | 123                | 0                | 0                | 0                  |
| SEC8 - MOB - COMMUNITY CHOICE         | 0                | 2                | 2                  | 0                | 0                | 0                  |
| SETTLEMENT - AG                       | 0                | 538              | 538                | 0                | 0                | 0                  |
| SETTLEMENTS - AG                      | 0                | 339              | 339                | 0                | 0                | 0                  |
| Small homes repairs                   | 0                | 7,407            | 7,407              | 0                | 0                | 0                  |
| To bring up DR funds for FY23         | 0                | 228              | 228                | 0                | 0                | 0                  |
| TO REALLOCATE FUNDS FOR HVS           | 0                | 1,425            | 1,425              | 0                | 0                | 0                  |
| VANDGUARD                             | 0                | 1,088            | 1,088              | 0                | 0                | 0                  |
| Workforce Enhancement                 | 259              | 0                | 259                | 259              | 0                | 259                |
| Zombie                                | 0                | 40               | 40                 | 0                | 0                | 0                  |
| Zombie Homes Project                  | 0                | 2                | 2                  | 0                | 0                | 0                  |
| <b>Subtotal, Other Adjustments</b>    | <b>\$1,725</b>   | <b>\$158,747</b> | <b>\$160,472</b>   | <b>\$1,725</b>   | <b>\$163</b>     | <b>\$1,888</b>     |



| <i>Dollars in Thousands</i>                         | Fiscal 2023       |                    |                    | Fiscal 2024       |                  |                    |
|---|-------------------|--------------------|--------------------|-------------------|------------------|--------------------|
|   | City              | Non-City           | Total              | City              | Non-City         | Total              |
| <b>Savings Program – Nov.</b>                       |                   |                    |                    |                   |                  |                    |
| Family Self-Sufficiency Funding Swap                | (\$87)            | \$87               | \$0                | (\$87)            | \$87             | \$0                |
| Ida Shelter   | (3,007)           | 0                  | (3,007)            | 0                 | 0                | 0                  |
| IFA Funding Swap                                    | (910)             | 910                | 0                  | (910)             | 910              | 0                  |
| NYC15 Reallocation                                  | 0                 | (4,318)            | (4,318)            | 0                 | 0                | 0                  |
| NYCHA OTPS Savings                                  | (7,370)           | 0                  | (7,370)            | (9,566)           | 0                | (9,566)            |
| Outreach and OTPS Re-estimates                      | (887)             | 0                  | (887)              | (500)             | 0                | (500)              |
| PS Accrual & Attrition                              | (2,389)           | 0                  | (2,389)            | 0                 | 0                | 0                  |
| Small Homes Resiliency Re-Estimate                  | (225)             | 0                  | (225)              | 0                 | 0                | 0                  |
| Supportive Housing Realignment                      | (6,000)           | 0                  | (6,000)            | (5,000)           | 0                | (5,000)            |
| Telecommunication Savings                           | (24)              | 0                  | (24)               | (73)              | 0                | (73)               |
| <b>Subtotal, Savings Program</b>                    | <b>(\$20,899)</b> | <b>(\$3,321)</b>   | <b>(\$24,220)</b>  | <b>(\$16,136)</b> | <b>\$997</b>     | <b>(\$15,139)</b>  |
| <b>TOTAL, All Changes - Nov.</b>                    | <b>(\$19,174)</b> | <b>\$155,426</b>   | <b>\$136,252</b>   | <b>(\$14,411)</b> | <b>\$1,160</b>   | <b>(\$13,251)</b>  |
| <b>HPD Fiscal 2023 November Plan</b>                | <b>\$387,380</b>  | <b>\$1,005,681</b> | <b>\$1,393,061</b> | <b>\$336,390</b>  | <b>\$843,807</b> | <b>\$1,180,197</b> |
| <b>New Needs – Prelim.</b>                          |                   |                    |                    |                   |                  |                    |
| Housing Blueprint: Anti-Harassment Unit             | \$166             | \$0                | \$166              | \$1,163           | \$0              | \$1,163            |
| Housing Blueprint: Enforcement Training             | 59                | 0                  | 59                 | 345               | 0                | 345                |
| Housing Blueprint: Help Desk                        | 428               | 0                  | 428                | 1,703             | 0                | 1,703              |
| Housing Blueprint: HomeFirst                        | 44                | 39                 | 83                 | 5,178             | 155              | 5,333              |
| Housing Blueprint: HomeFix 2.0                      | 67                | 0                  | 67                 | 4,116             | 0                | 4,116              |
| Housing Blueprint: NYCHA Organics Expansion Program | 214               | 0                  | 214                | 0                 | 0                | 0                  |
| Housing Blueprint: Partners in Preservation         | 91                | 0                  | 91                 | 4,012             | 0                | 4,012              |
| Housing Blueprint: Shelter Tech                     | 0                 | 0                  | 0                  | 0                 | 0                | 0                  |
| Housing Blueprint: SOI Contract                     | 0                 | 0                  | 0                  | 770               | 0                | 770                |
| LL63 Self-Closing Door                              | 152               | 0                  | 152                | 803               | 0                | 803                |
| NYCHA Rat Reduction Initiative                      | 383               | 0                  | 383                | 0                 | 0                | 0                  |
| <b>Subtotal, New Needs</b>                          | <b>\$1,604</b>    | <b>\$39</b>        | <b>\$1,643</b>     | <b>\$18,091</b>   | <b>\$155</b>     | <b>\$18,246</b>    |
| <b>Other Adjustments – Prelim.</b>                  |                   |                    |                    |                   |                  |                    |
| Affordable Housing Fund                             | \$0               | \$2,000            | \$2,000            | \$0               | \$0              | \$0                |
| AG Settlement Funds                                 | 0                 | 423                | 423                | 0                 | 0                | 0                  |
| Asylum Seeker Transfer                              | 0                 | 6,650              | 6,650              | 0                 | 0                | 0                  |
| Bring up OC funds for NYCHA                         | 0                 | 207                | 207                | 0                 | 207              | 207                |
| CC Member Items                                     | (281)             | 0                  | (281)              | 0                 | 0                | 0                  |
| CDBG Rollover                                       | 0                 | 13,491             | 13,491             | 0                 | 0                | 0                  |
| City Council Member Items Reallocation              | 43                | 0                  | 43                 | 0                 | 0                | 0                  |
| EHV HAP   | 0                 | 7,964              | 7,964              | 0                 | 0                | 0                  |
| FEMA Ida Damage Bldgs Cost                          | 0                 | 1,040              | 1,040              | 0                 | 0                | 0                  |
| Financial Plan Headcount Adjustments                | 0                 | 0                  | 0                  | 0                 | 0                | 0                  |
| Heat, Light and Power                               | 84                | 0                  | 84                 | 0                 | 0                | 0                  |
| Housing Choice Expanded Pilot                       | 0                 | 134                | 134                | 0                 | 0                | 0                  |
| HVS HOMEARP Admin                                   | 0                 | 3,255              | 3,255              | 0                 | 0                | 0                  |
| LANDLORD AMBASSADOR PROGRAM                         | 0                 | 61                 | 61                 | 0                 | 0                | 0                  |
| Lead Demo 2020                                      | 0                 | 16                 | 16                 | 0                 | 0                | 0                  |
| Reallocate Funding EHV temp                         | 0                 | (0)                | (0)                | 0                 | 0                | 0                  |
| Reallocate funds for DTR                            | 0                 | 1                  | 1                  | 0                 | 0                | 0                  |
| Reallocate funds for ENS                            | 0                 | 2                  | 2                  | 0                 | 0                | 0                  |
| Schedule mod rehab funds EHV                        | 0                 | 4,600              | 4,600              | 0                 | 0                | 0                  |
| SEC8 - SPEC.PUR.VCHERS                              | 0                 | 100                | 100                | 0                 | 0                | 0                  |
| To bring up SPC funds                               | 0                 | 35                 | 35                 | 0                 | 70               | 70                 |
| Zombie  | 0                 | 31                 | 31                 | 0                 | 0                | 0                  |
| <b>Subtotal, Other Adjustments</b>                  | <b>(\$153)</b>    | <b>\$40,010</b>    | <b>\$39,856</b>    | <b>\$0</b>        | <b>\$277</b>     | <b>\$277</b>       |
| <b>Savings Program – Prelim.</b>                    |                   |                    |                    |                   |                  |                    |
| Vacancy Reduction (-97 HC)                          | (\$677)           | (\$1,099)          | (\$1,776)          | (\$1,355)         | (\$2,197)        | (\$3,552)          |
| <b>Subtotal, Savings Program</b>                    | <b>(\$677)</b>    | <b>(\$1,099)</b>   | <b>(\$1,776)</b>   | <b>(\$1,355)</b>  | <b>(\$2,197)</b> | <b>(\$3,552)</b>   |
| <b>TOTAL, All Changes - Prelim.</b>                 | <b>\$773</b>      | <b>\$38,950</b>    | <b>\$39,723</b>    | <b>\$16,736</b>   | <b>(\$1,765)</b> | <b>\$14,971</b>    |
| <b>HPD Fiscal 2024 Preliminary Budget</b>           | <b>\$388,154</b>  | <b>\$1,044,630</b> | <b>\$1,432,784</b> | <b>\$353,125</b>  | <b>\$842,042</b> | <b>\$1,195,167</b> |

| <i>Dollars in Thousands</i>                      | Fiscal 2023      |                    |                    | Fiscal 2024       |                  |                    |
|--|------------------|--------------------|--------------------|-------------------|------------------|--------------------|
|  | City             | Non-City           | City               | Non-City          | City             | Non-City           |
| <b>New Needs – Exec.</b>                         |                  |                    |                    |                   |                  |                    |
| Hurricane Ida Disaster Relief Staff              | \$0              | \$0                | \$0                | \$0               | \$704            | \$704              |
| Moving On Program                                | 0                | 0                  | 0                  | 0                 | 800              | 800                |
| NYCHA Smoke-Free                                 | 453              | 0                  | 453                | 0                 | 0                | 0                  |
| Unlocking Doors Pilot                            | 0                | 0                  | 0                  | 308               | 0                | 308                |
| <b>Subtotal, New Needs</b>                       | <b>\$453</b>     | <b>\$0</b>         | <b>\$453</b>       | <b>\$308</b>      | <b>\$1,504</b>   | <b>\$1,812</b>     |
| <b>Other Adjustments – Exec.</b>                 |                  |                    |                    |                   |                  |                    |
| 24 Jan Plan Ini - multi progr                    | \$0              | \$122              | \$122              | \$0               | \$487            | \$487              |
| 24 Jan Plan Ini for DTR Tech                     | 0                | 244                | 244                | 0                 | 974              | 974                |
| 24 Jan Plan Ini for HOME-ARP                     | 0                | 27                 | 27                 | 0                 | 109              | 109                |
| 24 Jan Plan Ini for PM&C Staff                   | 0                | 64                 | 64                 | 0                 | 255              | 255                |
| 24EXE_CDTLSWAP                                   | 0                | 0                  | 0                  | 0                 | 2,898            | 2,898              |
| 633 City Island Emergency Demo                   | 0                | 375                | 375                | 0                 | 0                | 0                  |
| Asylum Seeker Fund Transfer                      | 6,650            | (6,650)            | 0                  | 0                 | 0                | 0                  |
| Asylum Seeker Shelter                            | 25,350           | 0                  | 25,350             | 147,000           | 0                | 147,000            |
| Bring up Federal funds EHS                       | 0                | 695                | 695                | 0                 | 0                | 0                  |
| CDBG Rollover                                    | 0                | 7,605              | 7,605              | 0                 | 0                | 0                  |
| Collective bargaining with funding adjustment    | 0                | 0                  | 0                  | 0                 | 0                | 0                  |
| Community Development Block Grant Swap           | 0                | 0                  | 0                  | (2,886)           | 0                | (2,886)            |
| DC 37 Collective Bargaining Adjustment           | 3,201            | 7,200              | 10,401             | 3,029             | 6,449            | 9,478              |
| EPA OER-HPD Sutphin Blvd.                        | 0                | 402                | 402                | 0                 | 0                | 0                  |
| FEMA Funding of Ida Shelter De                   | 0                | 667                | 667                | 0                 | 0                | 0                  |
| FY23 HAP Payments                                | 0                | 432                | 432                | 0                 | 0                | 0                  |
| FY24 Reallocate funds for DTR                    | 0                | 0                  | 0                  | 0                 | 1,366            | 1,366              |
| Heat, Light and Power                            | 21               | 0                  | 21                 | 208               | 0                | 208                |
| Hodag Funds                                      | 0                | 1,436              | 1,436              | 0                 | 0                | 0                  |
| HOME- ARP - ADMIN                                | 0                | 2,041              | 2,041              | 0                 | 0                | 0                  |
| Howard Beach study                               | 0                | 67                 | 67                 | 0                 | 0                | 0                  |
| I/C HPD NYCHA FY23                               | 0                | 35                 | 35                 | 0                 | 0                | 0                  |
| Lease Adjustment                                 | 0                | 0                  | 0                  | 1                 | 0                | 1                  |
| Nan McKay Contract                               | 0                | 0                  | 0                  | 0                 | 130              | 130                |
| NYCHA DC 37 collective bargaining adjustment     | 11,404           | 0                  | 11,404             | 10,575            | 0                | 10,575             |
| NYCHA Woodside Senior Center                     | (172)            | 0                  | (172)              | 172               | 0                | 172                |
| OER IC to HPD Pacific Street23                   | 0                | 250                | 250                | 0                 | 0                | 0                  |
| Reallocate Funding EHV temp                      | 0                | 6                  | 6                  | 0                 | 0                | 0                  |
| Reallocate funds for APM                         | 0                | 0                  | 0                  | 0                 | 0                | 0                  |
| Reallocate funds for DTR                         | 0                | 681                | 681                | 0                 | 0                | 0                  |
| Reduce CD HVS pgm for TL Swap                    | 0                | 0                  | 0                  | 0                 | 0                | 0                  |
| Schedule funds for ENS                           | 0                | 1,984              | 1,984              | 0                 | 730              | 730                |
| SEC8 - MOBILITY - COMMUNITY                      | 0                | 192                | 192                | 0                 | 0                | 0                  |
| SHELTER PLUS CARE ADM FEE                        | 0                | 30                 | 30                 | 0                 | 0                | 0                  |
| <b>Subtotal, Other Adjustments</b>               | <b>\$46,454</b>  | <b>\$17,906</b>    | <b>\$64,360</b>    | <b>\$158,100</b>  | <b>\$13,398</b>  | <b>\$171,498</b>   |
| <b>Savings Program – Exec.</b>                   |                  |                    |                    |                   |                  |                    |
| NYCHA Funding swap                               | \$0              | \$0                | \$0                | (\$7,939)         | \$0              | (\$7,939)          |
| Partial Vacancy Reduction Restoration            | 550              | 339                | \$888              | 0                 | 0                | 0                  |
| Procurement Re-estimates                         | (3,196)          | 0                  | (\$3,196)          | 0                 | 0                | 0                  |
| Supportive Housing Rental Assistance Re-estimate | (500)            | 0                  | (\$500)            | (5,187)           | 0                | (5,187)            |
| <b>Subtotal, Savings Program</b>                 | <b>(\$3,146)</b> | <b>\$339</b>       | <b>(\$2,808)</b>   | <b>(\$13,125)</b> | <b>\$0</b>       | <b>(\$13,125)</b>  |
| <b>TOTAL, All Changes - Exec.</b>                | <b>\$43,760</b>  | <b>\$18,244</b>    | <b>\$62,005</b>    | <b>\$145,283</b>  | <b>\$14,902</b>  | <b>\$160,185</b>   |
| <b>HPD Fiscal 2024 Executive Budget</b>          | <b>\$431,914</b> | <b>\$1,062,875</b> | <b>\$1,494,789</b> | <b>\$498,408</b>  | <b>\$856,944</b> | <b>\$1,355,352</b> |